



Independent observer
of the Global Fund

UNDP Strengthens National Entities to Implement Global Fund Grants

The United Nations Development Programme (UNDP) says that it plays a key role in developing the capacity of national bodies in the countries where it operates as principal recipient (PR) to enable them to implement Global Fund grants after UNDP has completed its term as PR.

As of January 2013, UNDP was PR for 50 Global Fund grants in 23 countries. UNDP prefers to call itself “interim PR” because it says that the arrangement is temporary until national entities can take over the role.

UNDP says that in almost half the countries where it serves as PR, capacity assessments have been completed and formal plans have been drawn up to strengthen the ability of local institutions to become PRs. To underscore the importance of strengthening the ability of local institutions, UNDP has introduced a policy not to sign any new Global Fund grants unless there is an adequate budget for capacity development.

The UNDP’s capacity building activities focus on strengthening, expanding or even creating national systems necessary for implementation to work. Typically, this means strengthening financial management, M&E, and procurement and supply chain management.

As of May 2012, UNDP had exited from being PR in 19 countries, with the role handed over to a government or civil society agency.

According to Fabien Lefrançois, Policy Specialist in the Partnership Unit at UNDP, it is difficult to set a quantitative target for transitioning the PR role because so much depends on the local context. Instead, he said, the UNDP uses “measurable milestones” to work towards transitioning.

UNDP said that measures to strengthen the ability of local institutions to become PRs are used to smooth the transition. These measures are partly financed out of the grants; in some cases, additional resources have been provided by UNDP or bilateral donors.

In four countries – Bolivia, El Salvador, Montenegro and Iran – UNDP is approaching the end of its PR role in the next six months or so for at least one of the grants it manages in each country. Either a transition of PR is underway, or grants in these countries will be closing shortly and the programmes will be financed by national entities.

In some countries, including those administered under the Global Fund's Additional Safeguard Policy, UNDP may remain PR until the end of the current grants, and possibly beyond. Usually, this is because the political or humanitarian situation, or capacity weaknesses among national entities, makes transitioning too risky.

In four countries where national agencies have already taken over as PR – Armenia, Indonesia, Papua New Guinea and Cambodia – UNDP has provided significant support to those entities to strengthen programme implementation.

UNDP has also assisted organisations in countries where it is not a PR to strengthen their ability to implement Global Fund grants. In four countries – Gabon, Burkina Faso, Togo and El Salvador – national government entities that are PRs have asked UNDP to provide technical support and capacity development.

In Indonesia, the Ministry of Health and UNDP partnered to strengthen the capacity of national PRs after a 2007 assessment found weaknesses in programme management. Capacity building measures included strengthening programme and financial management systems, procurement and supply management, and M&E systems.

Some of the information for this article was taken from a UNDP document entitled, “UNDP and the Global Fund: Partnering to Save Lives.” The first two articles in this series are available [here](#) and [here](#).

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